
Federal Communications Commission

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Implementation of Sections 309(j) and)		WT Docket No. 99-87
337 of the Communications Act of 1934)	
as Amended)	
)	
Promotion of Spectrum Efficient)	RM-9332
Technologies on Certain Part 90)	
Frequencies)	
)	
Establishment of Public Service Radio)	
Pool in the Private Mobile)	
Frequencies Below 800 MHz)	
)	

ERRATUM TO NOTICE OF PROPOSED RULE MAKING

Released: April 29, 1999

By the Chief, Auctions and Industry Analysis Division:

This Erratum makes minor corrections to the text of the Initial Regulatory Flexibility Analysis in Appendix A of the *Notice of Proposed Rule Making* in the above-captioned proceeding, FCC 99-52, which was adopted on March 19, 1999 and released on March 25, 1999. The *Notice* has not yet been published in the FCC Record and a summary of the *Notice* has not yet been published in the Federal Register. Accordingly, the corrections set forth herein shall be incorporated into the text of the *Notice* prior to such publication.

1. Paragraph 7 of the Initial Regulatory Flexibility Analysis in Appendix A is revised to read as follows:

7. Broadband PCS. The broadband PCS spectrum is divided into six frequency blocks designated A through F, and the Commission has auctioned licenses in each block. Frequency blocks C and F have been designated by the Commission as "entrepreneurs' blocks," and participation in auctions of C and F block licenses is limited to entities qualifying under the Commission's rules as entrepreneurs. The Commission's rules define an entrepreneur for purposes of C and F block auctions as an entity, together with affiliates, having gross revenues of less than \$125 million and total assets of less than \$500 million at the time the FCC Form 175 application is filed. For blocks C and F, the Commission has defined "small business" as a firm that had average gross revenues of less than \$40 million in the three

previous calendar years,²⁴⁴ and "very small business" has been defined as an entity that, together with its affiliates, has average gross revenues of not more than \$15 million for the preceding three calendar years.²⁴⁵ These definitions of "small business" and "very small business" in the context of broadband PCS auctions have been approved by the SBA. No small businesses within the SBA-approved definitions bid successfully for licenses in blocks A and B. In the first two C block auctions, there were 90 bidders that qualified as small entities and won licenses in block C. In the first auction of D, E, and F block licenses, a total of 93 small and very small business bidders won approximately 40% of the 1,479 licenses for blocks D, E, and F.²⁴⁶ Based on this information, we conclude that the number of small broadband PCS licensees will include the 90 winning C block bidders and the 93 winning bidders in the D, E, and F blocks, for a total of 183 small entity PCS providers as defined by the Commission's auction rules.

2. Paragraph 10 and the accompanying footnotes of the Initial Regulatory Flexibility Analysis in Appendix A are revised to read as follows:

10. The Commission has adopted a two-tier definition of small businesses in the context of auctioning geographic area paging licenses in the Common Carrier Paging and exclusive Private Carrier Paging services. This definition has been approved by the SBA. Under the definition, a very small business is an entity that, together with its affiliates and controlling principals, has average gross revenues for the three preceding years of not more than \$3 million. A small business is defined as an entity that, together with affiliates and controlling principals, has average gross revenues for the three preceding calendar years of not more than \$15 million.²⁴⁹ At present, there are approximately 24,000 Private Paging licenses and 74,000 Common Carrier Paging licenses. According to Telecommunications Industry Revenue data, there were 172 "paging and other mobile" carriers reporting that they engage in these services.²⁵⁰ Consequently, the Commission estimates that there are fewer than 172 small paging carriers. The Commission estimates that the majority of private and common carrier paging providers would qualify as small entities under the SBA definition.

3. Paragraph 12 of the Initial Regulatory Flexibility Analysis in Appendix A is revised to read as follows:

12. The Commission has adopted a two-tier definition of small businesses in auctions for geographic area 800 MHz and 900 MHz SMR licenses. A very small business is defined as an entity

²⁴⁴ See 47 C.F.R. § 24.720(b)(1).

²⁴⁵ See 47 C.F.R. § 24.720(b)(2).

²⁴⁶ FCC News, Broadband PCS, D, E, and F Block Auction Closes, No. 71744 (rel. Jan 14, 1997).

²⁴⁹ See Revision of Part 22 and Part 90 of the Commission's Rules to Facilitate Future Development of Paging Systems, WT Docket No. 96-18, *Second Report and Order and Further Notice of Proposed Rulemaking*, 12 FCC Rcd 2732, 2811-12 ¶¶ 178-81 (1997). See also Letter from Aida Alvarez, Administrator, Small Business Administration, to Amy J. Zoslov, Chief, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau (December 2, 1998).

²⁵⁰ FCC, Telecommunications Industry Revenue: TRS Fund Worksheet Data, Figure 2 (Number of Carriers Paying Into the TRS Fund by Type of Carrier) (Nov. 1997).

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that, together with its affiliates and controlling principals, has average gross revenues for the three preceding years of not more than \$3 million. A small business is defined as an entity that, together with its affiliates and controlling principals, has average gross revenues for the three preceding years of not more than \$15 million. The definitions of "small business" and "very small business" in the context of 800 MHz and 900 MHz SMR have been approved by the SBA. The Commission does not know how many firms provide 800 MHz or 900 MHz geographic area SMR service pursuant to extended implementation authorizations, nor how many of these providers have annual revenues of no more than \$15 million. One firm has over \$15 million in revenues. The Commission assumes for purposes of this IRFA that all of the remaining existing extended implementation authorizations are held by small entities, as that term is defined by the SBA. The Commission has held auctions for geographic area licenses in the 900 MHz SMR band and 800 MHz SMR band. There were 60 winning bidders who qualified as small businesses in the 900 MHz auction. In the 800 MHz SMR auction there were 524 licenses won by winning bidders, of which 38 licenses were won by small or very small businesses.

FEDERAL COMMUNICATIONS COMMISSION

Amy J. Zoslov
Chief, Auctions and Industry Analysis Division
Wireless Telecommunications Bureau